

§ 159C-19. Revenue refunding bonds.

(a) Each authority is authorized to provide by resolution for the issuance of refunding bonds of the authority for the purpose of refunding any bonds then outstanding that have been issued under the provisions of this Chapter, including the payment of any redemption premium on them and any interest accrued or to accrue to the date of redemption of the bonds, and, if deemed advisable by the authority, for either or both of the following additional purposes:

- (1) Constructing improvements, additions, extensions or enlargements of the project or projects in connection with which the bonds to be refunded have been issued, and
- (2) Paying all or any part of the cost of any additional project or projects.

(a1) The issuance of these bonds, their maturities and other details, the rights of their holders, and the rights, duties, and obligations of the authority in respect to them shall be governed by the provisions of this Chapter that relate to the issuance of bonds, to the extent appropriate, including that the bonds may have a single maturity within the limit prescribed by G.S. 159C-6.

The approvals required by G.S. 159C-7 and 159C-8 shall be obtained prior to the issuance of any refunding bonds, except that if the refunding bonds of all or a portion of an issue are to be issued solely for the purpose of refunding outstanding bonds issued under this Chapter, the approval required by G.S. 159C-7 is not required as to the project financed with the bonds to be refunded.

(b) Refunding bonds issued under this section may be sold or exchanged for outstanding bonds issued under this Chapter and, if sold, their proceeds may be applied, in addition to any other authorized purposes, to the purchase, redemption, or payment of the outstanding bonds. Refunding bonds may be issued, in the determination of the authority, at any time before the date of maturity or maturities or the date selected for the redemption of the bonds being refunded by them. Pending the application of the proceeds of the refunding bonds, with any other available funds, to the payment of the principal of and accrued interest and any redemption premium on the bonds being refunded, and, if so provided or permitted in the security document securing them, to the payment of any interest on the refunding bonds and any expenses in connection with the refunding, the proceeds may be invested in direct obligations of, or obligations the principal of and the interest on which are unconditionally guaranteed by, the United States of America that mature or are subject to redemption by the holder, at the option of such holder, not later than the respective dates when the proceeds, together with the interest accruing on them, will be required for the purposes intended. (1975, c. 800, s. 1; 1997-463, s. 4; 2000-179, s. 9.)